

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
Washington, D. C.

OCT 9 1939

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No. 6

To all Administrative Officers and State Committeemen,  
Agricultural Adjustment Administration,  
Southern Region:

Re: Record of penalties collected in  
connection with farms entitled to  
white marketing cards.

The question has arisen as to the procedure to be followed in keeping county office records in cases (1) where producers fail or refuse to accept marketing cards issued to them and (2) where producers, although cards have been delivered to them, fail or refuse to identify cotton marketed by them by presenting marketing cards to the buyer.

Buyers are required to collect penalties on all unidentified cotton. Buyers of such cotton are required by Section 532 of Cotton 308 - Part V, to make a report showing the information required to be shown on form 313 and to submit the report at the time the penalties are remitted to the treasurer of the county committee of the county in which the cotton was produced. In order that such marketings and penalties may be properly accounted for it will be necessary to establish farm accounts, in addition to those required by the instructions, on form 317, for all farms (1) where the producers who are entitled to white marketing cards refuse to accept them, and (2) where the producers fail or refuse to use white marketing cards delivered to them and penalties are collected and remitted by the buyer.

In many such cases, ginnings will have been recorded on form 351. If this has been done, it is desirable to continue posting ginnings to form 351. However, the form 317 prepared for the farm and to which marketings and penalties incurred will be posted should be identified by a cross-reference to the page number of the 351 on which ginnings are posted.

If the producers refuse to accept white marketing cards and no ginnings have been recorded, all ginnings for the farm should be posted on the form 317 prepared for the farm rather than on form 351.

In all such cases forms 319, 356, and 359 will be executed in the regular manner, except that on form 319 the word "none" shall be entered for the farm in the columns provided for entering the serial number of forms 313 and 315.

Very truly yours,

*I. W. Duggan*  
I. W. Duggan,  
Director, Southern Division.







1939 Cotton Marketing Quota Letter No. 7.

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
Washington, D.C.

OCT 9 1939

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To All Administrative Officers and State Committeemen,  
Agricultural Adjustment Administration,  
Southern Region:

Re: Remittances in excess of penalties incurred.

The question has arisen as to the proper procedure to be followed in handling cases where the total amount of money received from a particular buyer is in excess of penalties incurred as reflected by the forms 313-b, 315-b, and reports of marketing of unidentified cotton (Sec. 532 of Cotton 308 - Part V) submitted with the remittance. These cases will usually arise where (1) the buyer through mistake on his part remitted funds in excess of the amount which he collected as penalties incurred from producers selling cotton to him, and (2) the buyer collected and remitted penalties but failed to send in a duly executed form 313-b, 315-b, or a report of marketing of unidentified cotton. Such cases shall be handled as follows:

1. Preparation of Form Cotton 319.

After forms 313-b, 315-b, and reports of marketing of unidentified cotton have been audited and found to be correct, each such form and report shall be scheduled on form 319 as provided in Section 234(b) of Cotton 308 - Part II. (Reports of marketing of unidentified cotton executed in accordance with Section 532 of Cotton 308 - Part V are to be scheduled and recorded in the same manner as forms 313-b and 315-b, except that wherever the serial number of form 313-b or 315-b is required enter the word "None".) Since the amount of the remittance received from the buyer will exceed the amount so scheduled, the excess shall be entered on form 319, as follows:

(1) Enter in the column headed "Farm Serial No." the word "Suspense".

(2) Enter in the column headed "Amount", opposite the word "Suspense", the excess so received from the buyer.

The sum of the amounts shown for farms plus the amount shown as "Suspense" must exactly equal the sum of the remittances received and shown on form 319 after the words "Sum of" and itemized in the spaces provided for the description of the remittances.



2. Record on Form Cotton 317.

The amount of penalties collected and scheduled according to farm serial numbers on form 319 will be recorded on forms 317 as provided in Section 225(h) and (1) of Cotton 308 - Part II. The amount recorded on form 319 as "Suspense" shall not be recorded on any form 317, unless and until it is determined that such amount represents penalties incurred by producers, in which case such amount shall be recorded on the appropriate form 317 as hereinafter provided.

3. Record on Form Cotton 356.

The amount of penalties collected and scheduled on form 319 according to farm serial number shall be recorded on form 356 as provided in Section 234(d) of Cotton 308 - Part II. The amount shown on form 319 as "Suspense" shall be recorded in the same manner, except that the word "Suspense" shall be entered in column (13).

In addition, a separate form 356, to be labeled "Suspense Account", shall be prepared and entries made thereon, as follows:

- (1) In column (10) enter the date on which the funds were received as indicated by the date of the form 319.
- (2) Make no entry in column (11).
- (3) In column (12) enter the printed serial number of the form 319.
- (4) In column (13) enter the word "Suspense".
- (5) In column (14) enter the amount shown opposite the word "Suspense" appearing on the form 319.
- (6) In column (15) enter the transmittal number of form 359 on which the funds were transmitted to the State office.
- (7) In the event it is subsequently determined that any part of the funds so received represent penalties incurred by a producer, further entries shall be made on the form 356 (Suspense Account) as follows:
  - a. In column (16) enter the date the entry is made.
  - b. In column (17) enter the farm serial number of the farm in connection with which the producer marketed the cotton.



c. In column (18) enter the printed serial number of the form 319 on which the penalties were recorded (same as (3) above).

d. Make no entry in column (19).

e. Make no entry in column (20).

f. In column (21) enter the amount of the penalties incurred for the farm.

g. The amount entered in column (21), together with other necessary entries, shall be recorded, as provided in Section 225(h) and (1) of Cotton 308 - Part II, on form 317 for the farm in connection with which the penalties were incurred.

(8) In the event it is subsequently determined that any part of the funds held in "Suspense" represent the buyer's personal funds and are over and above the amount of penalties which he was obligated to collect from producers and remit to the treasurer of the county committee, the county committee shall determine whether such buyer is entitled to a refund and, if so, further entries shall be made on form 356 (Suspense Account) as follows:

a. In column (16) enter the date Standard Form No. 1047, "Public Voucher for Refunds", is prepared.

b. In column (17) enter the word "buyer".

c. In column (18) enter the printed serial number of the form 319 on which the funds were recorded.

d. In column (19) enter the serial number of Standard Form No. 1047.

e. In column (20) enter the name of the buyer to whom the form 319 was issued and to whom the refund is being made.

f. In column (21) enter the amount which the county committee has found may be refunded to the buyer.

g. The amount entered in column (21), together with other necessary entries shall be recorded in columns (16) through (21) of the regular form 356 as provided in Cotton 308 - Part II. (The instructions pertaining to



refunds and transfers will be issued as a supplement to Cotton 308 - Part II.)

4. Correction of Form Cotton 319 and Form Cotton 359.

(1) If at any time it is determined that any part of the amount entered on the form 319 and form 359 as "Suspense" represents penalties incurred or an overpayment by the buyer and is to be credited to a particular farm or the buyer, the treasurer of the county committee shall advise the State office of such fact by letter, which shall contain the following information:

a. The printed serial number of the form 319 and the transmittal number of the form 359 on which the funds were recorded.

b. The name of the remitter and the total amount of the remittance as shown on the form 319.

c. The amount originally recorded as "Suspense".

d. The farm serial number of the farm to be credited with any part of the amount recorded as "Suspense" or, if any part is to be credited to the buyer, the name of the buyer.

e. The amount to be credited to the farm or the buyer.

f. The amount of the funds originally recorded as "Suspense" which remains unallocated.

A copy of the letter shall be stapled to the form 319 to which it relates.

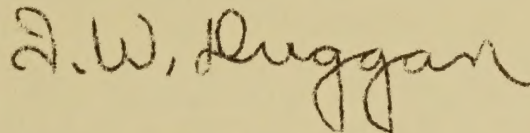
5. State Office Procedure in Scheduling Remittances on Standard Form No. 1044, Revised.

In cases where form 319, accompanied by form 359, shows an item as "Suspense", such item shall be scheduled on Standard Form No. 1044, Revised, as provided in Section 303(b) 13 of Cotton 308 - Part III, except that the word "Suspense" will be entered in the same manner as provided for entering the farm serial number.

An allocation of the amount credited to "Suspense" will be made on the basis of information contained in the letter provided for in

paragraph 4 above, but no action shall be taken to advise the disbursing office until such time as a Standard Form 1047, "Public Voucher for Refunds", or a Standard Form No. 1046, Revised, "Schedule of Transfers - Special Deposits", covering such amount is prepared for transmittal to the Disbursing Office.

Very truly yours,

A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a large, prominent "D" and a long, sweeping underline.

I. W. Duggan,  
Director, Southern Division.



For every four  
The value of the stock is a constant four per cent.  
The value of the stock is a constant four per cent.  
The value of the stock is a constant four per cent.

W. W. Ruggles

Director, Boston Division